

3. ENGINEERING DIVISION LOGNOTE - 19 February 1987

*W*OOD - TV Scrambling

On February 18th [] and I met with H. Ragg (COMSAT) to discuss the implementation of the INTERNET scrambling approach to be implemented, based on D/FBIS' decision of the day before. At this meeting COMSAT internal documentation was presented which indicated that BTI was insisting on owning the equipment and then selling us a service for the scrambling. COMSAT was directed to contact BTI and establish what rate they were proposing to charge, noting particularly that FBIS did not wish to pay for the equipment twice. It was also pointed out to COMSAT that under the proposed scrambling/conversion plan the current contract for the O&M effort at the Madley earth terminal should be greatly reduced and thus the O&M portion of the scrambling effort should be minimal if not zero.

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COMSAT reported that discussions with BTI had been held this date with the following results:

- a. BTI would agree to buying the designed and integrated system from COMSAT
- b. BTI insisted on installing the system at the Madley earth station
- c. BTI agreed that TV standard conversion was a customer dictated issue (FBIS can supply, install and operate standard converters at the bureau)
- d. BTI would provide the lease rate to COMSAT within ten days.

cc: D/FBIS, C/OPS, C/ESG, C/ICC, CO/FBIS